

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

MANAGEMENT'S DISCUSSION AND ANALYSIS
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED NOVEMBER 30, 2005

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LANCASTER COUNTY AGRICULTURAL SOCIETY

Lincoln, Nebraska

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Lancaster County Agricultural Society's (the Society's) financial performance provides an overview of the Society's financial activities for the fiscal year ended November 30, 2005.

FINANCIAL HIGHLIGHTS (BUDGETARY BASIS)

The Society's fund balance increased \$17,139; the amount revenue exceeded expenditures for the year.

The Society's budgetary basis operating costs decreased by \$21,099, capital outlay expenditures increased by \$781, and debt service expenditures decreased by \$138,993.

Property tax revenue amounting to \$971,326 for the year decreased \$136,953 mostly due to a decrease in levies for capital projects.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The government-wide financial statements provide a broad view of the Society's operations in a manner similar to the private sector, providing both a short-term and a long-term view of the Society's financial position. The fund financial statements focus on the near-term inflows and outflows of the Society's operation. By showing the change in net assets (fund balance) for the year, the reader may ascertain whether the Society's financial condition has improved or deteriorated. The changes which are discussed in the Management's Discussion and Analysis may be financial or non-financial in nature. Non-financial factors which may have an impact on the Society include changes in the Society's property tax base and condition of the Society's infrastructure.

FINANCIAL ANALYSIS

The net assets of the Society reflect assets over liabilities and were \$8,176,851 and \$8,021,757 as of November 30, 2005 and 2004, respectively.

	Net Assets as of November 30,					
	Governmental Activities		Business Type Activities		Total Primary Government	
	2005	2004	2005	2004	2005	2004
Current and Other Assets	\$ 703,128	\$ 653,695	\$ 185,442	\$ 225,009	\$ 888,570	\$ 878,704
Capital Assets	-	-	11,059,899	11,457,336	11,059,899	11,457,336
Total Assets	703,128	653,695	11,245,341	11,682,345	11,948,469	12,336,040
Long-Term Debt Outstanding	2,882,479	3,412,383	154,969	195,178	3,037,448	3,607,561
Other Liabilities	529,962	508,277	204,208	198,445	734,170	706,722
Total Liabilities	3,412,441	3,920,660	359,177	393,623	3,771,618	4,314,283
Net Assets						
Invested in capital assets net of debt	-	-	10,865,981	11,228,488	10,865,981	11,228,488
Restricted	(2,716,459)	(3,262,456)	-	-	(2,716,459)	(3,262,456)
Unrestricted	7,146	(4,509)	20,183	60,234	27,329	55,725
Total Net Assets	\$ (2,709,313)	\$ (3,266,965)	\$ 10,886,164	\$ 11,288,722	\$ 8,176,851	\$ 8,021,757

The net assets of the Society increased \$155,094, primarily due to governmental fund activity.

Changes in net assets from revenues exceeding expenses for the years ended November 30, 2005 and 2004 are as follows:

REVENUES AND EXPENDITURES						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2005	2004	2005	2004	2005	2004
Revenues:						
Program revenues:						
Charges for services	\$ 7,388	\$ 5,577	\$ 858,721	\$ 964,635	\$ 866,109	\$ 970,212
Property taxes	968,190	1,104,587	-	-	968,190	1,104,587
Other general revenues	44,488	42,265	4,320	4,299	48,808	46,564
Total revenues	1,020,066	1,152,429	863,041	968,934	1,883,107	2,121,363
Program Expenses:						
General government	258,729	203,713	-	-	258,729	203,713
Capital Projects	5,130	57,955	-	-	5,130	57,955
JPA	12,619	16,021	-	-	12,619	16,021
Interest	173,171	201,884	-	-	173,171	201,884
Event Center	-	-	1,278,364	1,300,007	1,278,364	1,300,007
Total expenses	449,649	479,573	1,278,364	1,300,007	1,728,013	1,779,580
Increase (decrease) in net assets before transfers	570,417	672,856	(415,323)	(331,073)	155,094	341,783
Transfers	(12,765)	(280,253)	12,765	280,253	-	-
Increase in net assets	557,652	392,603	(402,558)	(50,820)	155,094	341,783
Net Assets:						
Beginning	(3,266,965)	(3,659,568)	11,288,722	11,339,542	8,021,757	7,679,974
Ending	\$ (2,709,313)	\$ (3,266,965)	\$ 10,886,164	\$ 11,288,722	\$ 8,176,851	\$ 8,021,757

Total expenditures do not include capital outlay of \$139,780 and \$170,388 for the years ended November 30, 2005 and 2004, respectively. Interest expense on the debt of business-type activities is included within the total expenses of each activity, which amounted to \$12,756 and \$14,238 for the years ended November 30, 2005 and 2004, respectively.

BUDGETARY HIGHLIGHTS

There were no revisions in the Society's budget during the year. Budgeted revenue exceeded actual revenue by \$299,364, mostly due to event center income being \$345,705 below budget.

Actual expenditures were below budget expenditures by \$959,862; this was primarily due to operating expenditures (including the event center) being \$149,664 below budget, and debt service expenditures being \$782,131 below budget.

CAPITAL ASSET AND DEBT ADMINISTRATION

As of November 30, 2005, the Society had \$11,059,899 invested in a broad range of capital assets, including land, buildings, and equipment. This amount represents a decrease net of depreciation of \$397,437 or 3%. This year's major additions included pavilion lighting and land improvements.

As of November 30, 2005, the Society had \$3,591,254 in debt outstanding versus \$4,135,884 last year, a decrease of 13%.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Society's officials consider many factors when setting the fiscal year 2005-06 budget and tax rates. Some of those factors are the assessed valuation and the tax levy rate of the Society. Since Statute 77-1601.02 limits the rate the Society can set without voter approval, increases in property tax revenue is mostly dependent on increase in assessed property valuation.

The Society's levy rate approved by the Society Board for 2005-2006 is \$.1137 and \$.0710 per \$100 of assessed property valuation for the general fund and Joint Public Agency respectively.

CONTACTING THE SOCIETY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the Society's finances and to show the Society's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Wayne Heyen, Treasurer, Lancaster County Agricultural Society, Lincoln, Nebraska, 68507.

Micek & Crouch, P.C.
Certified Public Accountants

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Kurt L. Micek, C.P.A.
Janalee Crouch, C.P.A.

INDEPENDENT AUDITORS' REPORT

Board of Directors
Lancaster County Agricultural Society
Lincoln, Nebraska

We have audited the accompanying financial statements of the government activities, the business-type activities, and each major fund of the Lancaster County Agricultural Society, as of November 30, 2005, and for the year then ended, which collectively comprise the Society's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Lancaster County Agricultural Society management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the government activities, the business-type activities, and each major fund of the Lancaster County Agricultural Society, as of November 30, 2005, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2005, on our consideration of the Lancaster County Agricultural Society's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide and opinion on the internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The preceding management's discussion and analysis, and the Schedule of Revenue, Expenditures and Changes in Fund Equity – Budget and Actual – Statutory Basis – All Fund Types on pages 26 through 29; is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lancaster County Agricultural Society, basic financial statements. The other schedules of expenses listed in the table of contents is presented for purposes of additional analysis and are not a required part of the financial statements of the Lancaster County Agricultural Society. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Mick & Crouch, P.C.

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

STATEMENT OF NET ASSETS
November 30, 2005

	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
Assets			
Cash and cash equivalents	\$ 2,207	\$ 92,428	\$ 94,635
Cash on deposit - County Treasurer	658,205	-	658,205
Accounts receivable	500	79,216	79,716
Taxes receivable	31,816	-	31,816
Inventory	-	13,798	13,798
Prepaid expenses	10,400	-	10,400
Capital assets:			
Land	-	1,225,884	1,225,884
Other capital assets, net of accumulated depreciation	-	9,834,015	9,834,015
Total assets	<u>703,128</u>	<u>11,245,341</u>	<u>11,948,469</u>
Liabilities			
Accounts payable	11,930	31,997	43,927
Payroll and sales taxes payable	-	1,914	1,914
Accrued wages	-	12,958	12,958
Rental deposits	-	27,765	27,765
Deferred revenue	3,175	90,625	93,800
Bonds, notes and leases - Current	514,857	38,949	553,806
Bonds, notes and leases - Noncurrent	2,882,479	154,969	3,037,448
Total liabilities	<u>3,412,441</u>	<u>359,177</u>	<u>3,771,618</u>
Net Assets			
Invested in capital assets, net of related debt	-	10,865,981	10,865,981
Restricted for:			
Capital projects	9,065	-	9,065
Debt service	(2,725,524)	-	(2,725,524)
Unrestricted	7,146	20,183	27,329
Total net assets	<u>\$ (2,709,313)</u>	<u>\$ 10,886,164</u>	<u>\$ 8,176,851</u>

The accompanying notes are an integral part of these financial statements.

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

STATEMENT OF ACTIVITIES
For the Year Ended November 30, 2005

	Expenses	Program Revenues Charges for Services
Functions/Programs		
Governmental Activities:		
General Government	\$ 258,729	\$ 7,388
Capital Projects	5,130	-
Joint Public Agency	12,619	-
Interest on Long-Term Debt	173,171	-
Total Governmental Activities	449,649	7,388
Business-Type Activities:		
Event Center	1,278,364	858,721
Total Business-Type Activities	1,278,364	858,721
Total Primary Government	\$ 1,728,013	\$ 866,109
General Revenues:		
Property taxes		
Hog sales		
Donations		
Sponsorships		
Family Night Bar-B-Que		
Carnival and vendor income		
Interest income		
Miscellaneous		
Transfers		
	Total general revenues and transfers	
	Change in net assets	
Net Assets - Beginning		
Net Assets - Ending		

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
\$ (251,341)	\$ -	\$ (251,341)
(5,130)	-	(5,130)
(12,619)	-	(12,619)
<u>(173,171)</u>	<u>-</u>	<u>(173,171)</u>
<u>(442,261)</u>	<u>-</u>	<u>(442,261)</u>
<u>-</u>	<u>(419,643)</u>	<u>(419,643)</u>
<u>-</u>	<u>(419,643)</u>	<u>(419,643)</u>
<u>(442,261)</u>	<u>(419,643)</u>	<u>(861,904)</u>
968,190	-	968,190
13,068	-	13,068
500	2,620	3,120
7,210	-	7,210
2,961	-	2,961
18,649	-	18,649
86	1,700	1,786
2,014	-	2,014
<u>(12,765)</u>	<u>12,765</u>	<u>-</u>
<u>999,913</u>	<u>17,085</u>	<u>1,016,998</u>
557,652	(402,558)	155,094
<u>(3,266,965)</u>	<u>11,288,722</u>	<u>8,021,757</u>
<u>\$ (2,709,313)</u>	<u>\$ 10,886,164</u>	<u>\$ 8,176,851</u>

The accompanying notes are an integral part of these financial statements.

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

BALANCE SHEET - GOVERNMENTAL FUNDS
For the Year Ended November 30, 2005

	General Fund	Capital Projects	Debt Service	Total
Assets				
Cash and cash equivalents	\$ 1,018	\$ 1,189	\$ -	\$ 2,207
Cash on deposit - County Treasurer	552	420	657,233	658,205
Accounts receivable	500	-	-	500
Taxes receivable	184,687	121,250	672,368	978,305
Prepaid insurance	10,400	-	-	10,400
Total assets	\$ 197,157	\$ 122,859	\$ 1,329,601	\$ 1,649,617
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 9,232	\$ 2,698	\$ -	\$ 11,930
Deferred revenue	3,175	-	-	3,175
Deferred taxes	166,219	109,126	605,131	880,476
Total liabilities	178,626	111,824	605,131	895,581
Fund Balances:				
Unreserved, reported in:				
General Fund	18,531	-	-	18,531
Capital Projects Fund	-	11,035	-	11,035
Debt Service Fund	-	-	724,470	724,470
Total fund balances	18,531	11,035	724,470	754,036
Total liabilities and fund balances	\$ 197,157	\$ 122,859	\$ 1,329,601	

Amounts reported for governmental activities in the statement of net assets are different because:

Other long-term assets are not available to pay for current-period expenditures and, therefore, deferred in the funds.	(66,013)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, not reported in the funds.	(3,397,336)
Net assets of governmental activities	\$ (2,709,313)

The accompanying notes are an integral part of these financial statements.

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended November 30, 2005

	General	Capital Projects	Debt Service	Total
Revenues:				
Property taxes	\$ 176,179	\$ 124,917	\$ 657,279	\$ 958,375
Interest income	83	3	-	86
Hog sales	13,068	-	-	13,068
Donations	-	500	-	500
Sponsorships	7,210	-	-	7,210
Family Night Bar-B-Que	2,961	-	-	2,961
Entry fees and memberships	7,388	-	-	7,388
Carnival and vendor income	18,649	-	-	18,649
Miscellaneous	1,594	420	-	2,014
Total revenues	<u>227,132</u>	<u>125,840</u>	<u>657,279</u>	<u>1,010,251</u>
Expenditures:				
General Government	258,729	5,130	12,619	276,478
Capital Outlay	3,980	121,778	-	125,758
Debt Service	-	-	682,871	682,871
Total expenditures	<u>262,709</u>	<u>126,908</u>	<u>695,490</u>	<u>1,085,107</u>
Excess (deficit) of revenue over expenditures before other sources (uses)	(35,577)	(1,068)	(38,211)	(74,856)
Other Financing Sources (Uses):				
Transfer from (to) other funds	<u>44,572</u>	<u>15,619</u>	<u>52,802</u>	<u>112,993</u>
Excess (deficit) of revenue over expenditures after other sources (uses)	8,995	14,551	14,591	38,137
Fund Balance at Beginning of Year	<u>9,536</u>	<u>(3,516)</u>	<u>709,879</u>	<u>715,899</u>
Fund Balance at End of Year	<u>\$ 18,531</u>	<u>\$ 11,035</u>	<u>\$ 724,470</u>	<u>\$ 754,036</u>

The accompanying notes are an integral part of these financial statements.

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
For the Year Ended November 30, 2005

	<u>Total</u>
Amounts reported for governmental activities in the statement of activities are different because:	
Net change in fund balances - Total governmental funds	\$ 38,137
Because some revenues will not be collected in the next year, they are not considered available revenues and are deferred in the government funds. Deferred revenues decreased by this amount during the year.	9,815
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds, however, it has no effect on net-assets.	<u>509,700</u>
Change in net assets of governmental activities	<u>\$ 557,652</u>

The accompanying notes are an integral part of these financial statements.

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

STATEMENT OF NET ASSETS - PROPRIETARY FUNDS
November 30, 2005

	<u>Event Center</u>
Assets	
Current Assets:	
Cash and cash equivalents	\$ 92,428
Accounts receivable	79,216
Inventory	<u>13,798</u>
Total current assets	185,442
Noncurrent Assets:	
Capital assets:	
Land	1,225,884
Other capital assets, net of accumulated depreciation	<u>9,834,015</u>
Total assets	<u>11,245,341</u>
Liabilities:	
Current Liabilities:	
Accounts payable	31,997
Payroll and sales taxes payable	1,914
Accrued wages	12,958
Rental deposits	27,765
Deferred revenue	90,625
Notes payable - Current portion	<u>38,949</u>
Total current liabilities	204,208
Noncurrent Liabilities:	
Notes payable	<u>154,969</u>
Total liabilities	<u>359,177</u>
Net Assets:	
Invested in capital assets, net of related debt	10,865,981
Unrestricted	<u>20,183</u>
Total net assets	<u>\$ 10,886,164</u>

The accompanying notes are an integral part of these financial statements.

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET
ASSETS - PROPRIETARY FUNDS
For the Year Ended November 30, 2005

	Event Center
Operating Revenues:	
Rental income	\$ 467,761
Concession income	267,553
Advertising and sponsorships	28,450
Donations	2,620
Security and labor charges	56,154
Shaving and bedding income	34,060
Miscellaneous	4,743
Total revenues	861,341
Operating Expenses:	
Salaries	319,425
Employee benefits	13,731
Payroll taxes	28,795
Advertising	11,872
Dues and subscriptions	375
Concession expense	86,964
Shaving and bedding expense	28,127
Supplies and office expense	10,565
Postage	621
Rental	6,764
Travel	4,457
Meals	4,576
Telephone and utilities	96,113
Contracted entertainment	21,758
Repairs and maintenance	35,684
Taxes and licenses	2,214
Insurance	35,094
Professional fees	12,245
Depreciation	537,217
Bad debts	8,570
Miscellaneous	441
Total expenditures	1,265,608
Operating income (loss)	(404,267)
Nonoperating Revenues (Expenses):	
Interest income	1,700
Interest expense	(12,756)
Total nonoperating revenues (expenses)	(11,056)
Income before transfers	(415,323)

The accompanying notes are an integral part of these financial statements.

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET
ASSETS - PROPRIETARY FUNDS (CONTINUED)
For the Year Ended November 30, 2005

	Event Center
Transfers in of Capital Assets	125,758
Other Transfers	(112,993)
Change in net assets	(402,558)
Net Assets at Beginning of Year - Adjusted	11,288,722
Net Assets at End of Year	\$ 10,886,164

The accompanying notes are an integral part of these financial statements.

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Year Ended November 30, 2005

	Event Center
Cash Flows from Operating Activities:	
Cash received from customers	\$ 855,025
Cash payments to suppliers for goods and services	(356,673)
Cash payments to employees for services	(360,281)
Total cash provided by operating activities	<u>138,071</u>
Cash Flows from Noncapital Financing Activities:	
Transfers from other funds	12,765
(Increase) decrease in due from other funds	55,622
Net cash provided by noncapital financing activities	<u>68,387</u>
Cash Flows from Capital and Related Financing Activities:	
Acquisition of property and equipment	(139,780)
Principal paid on bonds, notes and leases	(34,930)
Interest paid on bonds	(12,756)
Net cash (used) for capital and related financial activities	<u>(187,466)</u>
Cash Flow from Investing Activities:	
Interest income	1,700
Net cash provided by investing activities	<u>1,700</u>
Net increase in cash and cash equivalents	20,692
Cash and Cash Equivalents at Beginning of Year	71,736
Cash and Cash Equivalents at End of Year	<u>\$ 92,428</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:	
Operating income (loss)	\$ (404,267)
Adjustments:	
Depreciation	537,217
Decrease in accounts receivable	5,718
Decrease in inventory	(1,081)
(Decrease) in accounts payable and accrued expenses	10,848
Increase in accrued wages	1,670
Increase in rental deposits	1,365
(Decrease) in deferred revenue	(13,399)
Net cash provided by operating activities	<u>\$ 138,071</u>

The accompanying notes are an integral part of these financial statements.

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

NOTES TO FINANCIAL STATEMENTS
For the Year Ended November 30, 2005

Note 1 - Summary of Significant Accounting Policies:

FINANCIAL REPORTING ENTITY

The Society operates under a Council form of government and provides the following services as authorized by its charter: County fair, public improvements, event center, and general administrative services.

In evaluating how to define the Society, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in accounting principles generally accepted in the United States of America. The basic--but not the only--criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the Society is able to exercise oversight responsibilities. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the government's reporting entity.

Joint Public Agency - A five-member board of which three are appointed by the Society and two are appointed by the Lancaster County Commissioners governs the Lancaster County Fairgrounds Joint Public Agency (JPA). Although it is legally separated from the Society, the JPA is reported as if it were part of the primary government because its sole purpose is to finance a portion of the costs of acquisition of and improvements to the Society's fairgrounds.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements include the statement of net assets and the statement of activities. These statements report financial information for the Society as a whole. The primary government and component units are presented separately within the financial statements with the focus on the primary government. The material effect of interfund activity has been removed from these statements. Individual funds are not displayed but the statements distinguish government activities, generally supported by taxes and Society general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarized more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, fines and forfeitures, and other charges to users of the Society's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions to these program uses. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended November 30, 2005

Note 1 - Summary of Significant Accounting Policies (Continued):

Fund financial statements are provided for governmental and proprietary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The financial statements of the Society are prepared in accordance with generally accepted accounting principles (GAAP). The Society's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements and applicable Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless they conflict with GASB pronouncements. The Society's reporting entity does not apply FASB pronouncements or APB opinions issued after November 30, 1989.

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Reimbursements are reported as reductions to expenses. Proprietary and fiduciary fund financial statements and financial statement of Society component units also report using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met.

Government fund financial statement report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The Society considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for general obligations bond principal and interest which are reported as expenditures in the year due.

Major revenue sources include property taxes. In general, other revenues are recognized when cash is received.

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the cost of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

When both restricted and unrestricted resources are available for use, it is the Society's policy to use restricted resources first, then unrestricted resources as they are needed.

FUND TYPES AND MAJOR FUNDS

Governmental Funds:

General Fund – Accounts for the day-to-day administration of the Society including the fair.

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended November 30, 2005

Note 1 - Summary of Significant Accounting Policies (Continued):

Capital Projects – Accounts for the resources accumulated and payments made for the maintenance, construction, and improvements of the Society's building and grounds.

Debt Service Fund – Accounts for the accumulation of financial resources for the payment of principal and interest on the Society's general obligation debt.

Proprietary Funds:

Event Center – Used to account for operations that are financed and operated in a manner similar to private business, where the intent of the Society is that the costs of providing services to the general public on a continuing basis be financed or recovered primarily through user charges.

BUDGETS AND BUDGETARY ACCOUNTING

The Society follows these procedures in establishing the budgetary data reflected in the financial statements: the Council proposes an operating budget for the fiscal year commencing the following December 1st. The operating budget includes proposed expenditures and the means to finance them. Public hearings are conducted to obtain taxpayer comments. Prior to November 20th, the budget is legally enacted through passage of an ordinance. The Council is authorized to transfer budgeted amounts between funds; however, any revisions that alter the total expenditures of the Society must be approved by public hearing. The budget is prepared on the cash basis, which is the statutory method required by the State of Nebraska's state auditor. This cash basis is not in accordance with accounting principles generally accepted in the United States of America.

Budget comparison is shown using a cash basis for property and equipment and bond proceeds and payments in the proprietary funds.

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

Cash and Cash Equivalents:

Cash and cash equivalents are carried at cost, which approximates market. The Society maintains cash accounts for each fund and is displayed as "cash" on the statement of net assets and balance sheet

The Society considers highly liquid assets invested with an original maturity of three months or less to be cash equivalents.

Deposits – At November 30, 2005, the carrying amount of the Society's deposits (checking accounts) were \$92,885 and the bank balance was \$143,339. All bank balances were covered by federal depositary insurance.

Investments – Statutes authorize the Society to invest in certificates of deposit, passbooks and other available bank investments provided that approved securities are pledged to secure those funds on deposit in an amount equal to the amount of those funds. In addition, the Society can invest in direct debt securities of the United States unless such an investment is expressly prohibited by law.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended November 30, 2005

Note 1 - Summary of Significant Accounting Policies (Continued):

Capital Assets and Depreciation:

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. land, building, equipment, and similar items), are reported in the applicable government or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an individual cost of \$250 for equipment and having an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

Depreciation has been recorded using the straight-line method to depreciate the property over their estimated useful lives. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in income for the period. The cost of maintenance and repairs is charged against income as incurred; significant renewals and betterments are capitalized.

RISK MANAGEMENT

The Society is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Society purchases commercial insurance.

During the year ended November 30, 2005, the Society did not reduce insurance coverages from coverage levels in place as of November 30, 2004. No settlements have exceeded coverage levels in place during 2004 and 2005.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2 - Inventory:

Inventory is stated at the lower of cost or market. Cost is determined by the first-in, first-out method. Inventory consists primarily of food and drinks for concessions.

Note 3 - Property Taxes:

Property taxes attach as an enforceable lien on property as of January 1st. Taxes are payable in two installments on May 1st and November 1st. The County bills and collects property taxes and remits to the Society monthly.

The tax rate to finance the Society for the year ended November 30, 2005, was .002008 per \$100 of actual valuation of \$15,375,859,915 for 2005.

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended November 30, 2005

Note 4 - Capital Assets:

The following is a summary of the changes in capital assets for the year ended November 30, 2005:

	Balance 11/30/04	Additions	Deletions	Balance 11/30/05
Land	\$ 1,225,884	\$ -	\$ -	\$ 1,225,884
Other capital assets:				
Buildings and improvements	\$ 10,868,197	\$ 121,778	\$ -	\$ 10,989,975
Equipment	1,285,373	14,228		1,299,601
Total cost	12,153,570	136,006	-	12,289,576
Less accumulated depreciation	(1,922,118)	(533,443)		(2,455,561)
	\$ 10,231,452	\$ (397,437)	\$ -	\$ 9,834,015

Note 5 - Accumulated Unpaid Vacation, Sick Pay and Other Employee Benefits:

Accumulated unpaid vacation, sick pay and other employee benefit amounts are not accrued in the Society funds since they are considered immaterial.

Note 6 - Interfund Receivables and Payables:

Interfund receivables and payables at November 30, 2005, consisted of:

Fund	Interfund Receivables	Interfund Payables
General Fund	\$ -	\$ 4,326
Enterprise Fund:		
Event Center	4,326	-
	\$ 4,326	\$ 4,326

The interfund payables resulted from unreimbursed expenses paid by the event center, and are reported within the account receivable and accounts payable of the respective funds.

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended November 30, 2005

Note 7 - Long-Term Debt:

Governmental Activities:

General Obligations Bonds, Notes Payable and Capital Leases as of November 30, 2005, are as follows:

	Original Amount	Interest Rate	Balance 11/30/04	Issued	Retired	Balance 11/30/05
JPA Limited Obligation Bonds	\$ 5,000,000	4.10% to 4.85%	\$ 3,730,000	\$ -	\$ 465,000	\$ 3,265,000
Note Payable: First State Bank	153,830	5.75%	82,104	-	13,617	68,487
Capital Lease: District Energy Well Field	200,000	4.65%	93,638	-	29,789	63,849
Capital Lease: All Lines Leasing Sweeper	9,553	15.57%	1,294	-	1,294	-
			<u>\$ 3,907,036</u>	<u>\$ -</u>	<u>\$ 509,700</u>	<u>\$ 3,397,336</u>

Annual requirements to pay principal and interest to maturity on outstanding notes and bonds is as follows:

Year Ended November 30,	Principal	Interest	Totals
2006	\$ 514,857	\$ 148,379	\$ 663,236
2007	590,964	123,565	714,529
2008	546,515	96,627	643,142
2009	555,000	70,607	625,607
2010	580,000	43,506	623,506
By 2015	610,000	14,793	624,793
	<u>\$ 3,397,336</u>	<u>\$ 497,477</u>	<u>\$ 3,894,813</u>

Bonds and Notes Payable - Governmental Funds

On December 19, 2000, the JPA issued \$5,000,000 of Limited Tax Facility bonds, Series 2000. Proceeds of the bonds were used to finance a portion of the costs of acquisition of and improvements to the Lancaster County Event Center. Interest on the bonds is payable semi-annually on June 15 and December 15. Principal is due annually on December 15. Final payment is due December 15, 2010. The Society pledges all assets and revenues to the payment of principal and interest on the bonds if the JPA fails to generate sufficient tax revenues to make payments. The Society shall, after providing for the payment of operating expenses, set aside excess funds in an operations reserve fund. When the reserve fund equals 100% of the annual budgeted expenses for the Society's General and Event Center fund combined, any excess revenues received by the Society shall be paid to reduce payment of principal and interest on the bonds.

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended November 30, 2005

Note 7 - Long-Term Debt (Continued):

On April 27, 2004, the Society entered into a loan agreement with the First State Bank of Hickman for the purchase of site improvements and equipment. The loan is due in 35 monthly payments of \$1,500 including interest at 5.75% and a balloon payment of \$49,018 on April 27, 2007. This loan was originally a debt of the proprietary fund.

Capital Leases - Governmental Funds

The Society leases well field and other equipment under capital leases. The economic substance of these leases is that the Society is financing the acquisition of the equipment through the leases and accordingly, the equipment is recorded as assets and the leases are recorded as liabilities.

The following is a summary of the leased assets included in capital assets:

Equipment under capital leases	\$	200,000
Less: Accumulated depreciation		<u>(122,042)</u>
	\$	<u>77,958</u>

Business-Type Activities:

Proprietary Fund Notes Payable and Capital Leases as of November 30, 2005, are as follows:

	Original Amount	Interest Rate	Balance 11/30/04	Issued	Retired	Balance 11/30/05
Sales/Leaseback:						
First State Bank	\$ 300,000	6.13%	\$ 216,273	\$ -	\$ 31,923	\$ 184,350
Capital Lease:						
CitiGroup	11,325	4.40%	9,796	-	2,717	7,079
Capital Lease:						
All Lines Leasing	3,625	6.60%	2,779	-	290	2,489
			<u>\$ 228,848</u>	<u>\$ -</u>	<u>\$ 34,930</u>	<u>\$ 193,918</u>

Annual requirements to pay principal and interest to maturity on outstanding debt follows:

Year Ended November 30,	Principal	Interest	Totals
2006	\$ 38,949	\$ 10,611	\$ 49,560
2007	39,324	8,251	47,575
2008	39,513	5,927	45,440
2009	76,132	388	76,520
	<u>\$ 193,918</u>	<u>\$ 25,177</u>	<u>\$ 219,095</u>

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended November 30, 2005

Note 7 - Long-Term Debt (Continued):

Sale/Leaseback - Business Type Activities:

On December 28, 2001, the Society entered into a financing agreement with the First State Bank of Hickman. The Society received \$300,000 in exchange for transferring title of certain equipment to First State Bank for the purpose of repaying funds borrowed from the Capital Projects fund during the fiscal year 2000-2001. The equipment now owned by the First State Bank was leased back to the Society in exchange for 84 monthly payments of \$3,679 beginning February 28, 2002, with an effective interest rate of 6.127%. Final payment is due January 28, 2009, with an option to purchase the equipment for \$75,000 upon termination of the lease. The leased assets are shown as equipment (at original cost) less accumulated depreciation in the proprietary fund. The future minimum lease payments are shown as a liability of the proprietary fund including the purchase option.

Capital Leases - Business Type Activities:

The Society leases other equipment under capital leases. The economic substance of these leases is that the Society is financing the acquisition of the equipment through the leases and accordingly, the equipment is recorded as assets and the leases are recorded as liabilities.

The following is a summary of the leased assets included in capital assets:

Equipment under capital leases	\$	30,091
Less: Accumulated depreciation		<u>(2,759)</u>
	\$	<u>27,332</u>

Note 8 - Fund Transfers:

The Event Center fund accounts for all capital assets, as such, the General and Capital Projects funds transferred \$125,758 worth of capital assets to the Event Center fund during the year ended November 30, 2005. Additional transfers include \$16,000 transferred from the Event Center fund to the General fund to cover general fund operating expenses and \$31,100 was transferred from the Event Center fund to the Capital Projects fund to cover capital improvements.

Note 9 - Advertising Agreement and Commitment:

On March 1, 1999, the Society entered into an advertising agreement with LINPEPCO Partnership. In consideration of the advertising and marketing rights, LINPEPCO agreed to pay the Society an advertising fee of \$125,000. As part of the agreement, the Society agreed to install an exterior programmable electronic message system and give LINPEPCO such advertising and marketing right for a period of ten years commencing on the first day of operation of the messaging system which was February 18, 2003. As of November 30, 2005, \$90,625 remains as deferred revenue per the agreement.

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended November 30, 2005

Note 10 - Implemented GASB Statements:

In 2005, the Society implemented the following GASB Statements:

- a) GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units."
- b) GASB Statement No. 40, "Deposits and Investment Risk Disclosures."
- c) GASB Statement No. 41, "Budgetary Comparison Schedules – Perspective Differences."

REQUIRED SUPPLEMENTARY INFORMATION

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

COMBINED SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET
AND ACTUAL - STATUTORY BASIS - ALL FUND TYPES (NON-GAAP)
For the Year Ended November 30, 2005

	General Fund		Variance
	Actual	Budget	Favorable (Unfavorable)
Revenues:			
Property taxes	\$ 315,129	\$ 303,329	\$ 11,800
Interest income	1,786	40	1,746
Hog sales	13,068	9,600	3,468
Donations	500	-	500
Sponsorships	6,710	5,200	1,510
Family night Bar-B-Que	2,961	2,100	861
Entry fees and memberships	7,388	10,800	(3,412)
Carnival and vendor income	21,299	10,700	10,599
Event center income	855,025	1,200,730	(345,705)
Miscellaneous	2,014	700	1,314
Transfers in	47,100	42,672	4,428
Total revenues	1,272,980	1,585,871	(312,891)
Expenditures:			
Operating expenses	993,138	1,142,820	(149,682)
Capital improvements	167,189	155,785	11,404
Other capital outlay	3,980	18,090	(14,110)
Debt service	57,943	241,528	(183,585)
Transfers out	47,100	42,672	4,428
Total expenditures	1,269,350	1,600,895	(331,545)
Excess (deficit) of revenue over (under) expenditures	3,630	(15,024)	18,654
Fund Equity, Beginning (Non-GAAP Budgetary Basis)	91,977	39,084	52,893
Fund Equity, Ending (Non-GAAP Budgetary Basis)	95,607	\$ 24,060	\$ 71,547

Joint Public Agency			(Memorandum Only)		
Actual	Budget	Variance Favorable (Unfavorable)	Actual	Budget	Variance Favorable (Unfavorable)
\$ 656,197	\$ 642,670	\$ 13,527	\$ 971,326	\$ 945,999	\$ 25,327
-	-	-	1,786	40	1,746
-	-	-	13,068	9,600	3,468
-	-	-	500	-	500
-	-	-	6,710	5,200	1,510
-	-	-	2,961	2,100	861
-	-	-	7,388	10,800	(3,412)
-	-	-	21,299	10,700	10,599
-	-	-	855,025	1,200,730	(345,705)
-	-	-	2,014	700	1,314
-	-	-	47,100	42,672	4,428
<u>656,197</u>	<u>642,670</u>	<u>13,527</u>	<u>1,929,177</u>	<u>2,228,541</u>	<u>(299,364)</u>
12,619	12,601	18	1,005,757	1,155,421	(149,664)
-	-	-	167,189	155,785	11,404
-	-	-	3,980	18,090	(14,110)
630,069	1,258,404	(628,335)	688,012	1,499,932	(811,920)
-	-	-	47,100	42,672	4,428
<u>642,688</u>	<u>1,271,005</u>	<u>(628,317)</u>	<u>1,912,038</u>	<u>2,871,900</u>	<u>(959,862)</u>
13,509	(628,335)	641,844	17,139	(643,359)	660,498
<u>643,724</u>	<u>631,278</u>	<u>12,446</u>	<u>735,701</u>	<u>670,362</u>	<u>65,339</u>
657,233	\$ <u><u>2,943</u></u>	\$ <u><u>654,290</u></u>	\$ <u><u>752,840</u></u>	\$ <u><u>27,003</u></u>	\$ <u><u>725,837</u></u>

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

COMBINED SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET
AND ACTUAL - STATUTORY BASIS - ALL FUND TYPES (NON-GAAP) (CONTINUED)
For the Year Ended November 30, 2005

	General Fund
	<u>Actual</u>
Reconciliation to GAAP Basis:	
Taxes receivable	305,937
Other receivables	79,716
Inventory and prepaids	24,198
Capital assets (net of depreciation)	11,059,899
Accounts payable	(43,927)
Other payables	(14,872)
Deferred taxes	(275,345)
Deferred revenue	(121,565)
Proprietary debt	<u>(193,918)</u>
Fund Equity, Ending GAAP Basis	<u>\$ 10,915,730</u>
Fund Balance - General Fund	\$ 18,531
Fund Balance - Capital Projects	11,035
Fund Equity - Enterprise Fund	<u>10,886,164</u>
	<u>\$ 10,915,730</u>

Joint Public Agency

Actual

672,368

-

-

-

-

-

(605,131)

-

-

\$ 724,470

SCHEDULES OF EXPENSES

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

SCHEDULE OF EXPENSES - GENERAL ADMINISTRATION
For the Year Ended November 30, 2005

	General Fund
Premiums and Awards	\$ 27,205
Fair Helpers and Contract Labor	48,991
Hog Sale Checks and Expenses	13,444
Shavings and Bedding Costs	2,470
Advertising and Signs	20,232
Printing	3,099
Supplies and Office Expense	3,451
Family Night Bar-B-Que/Watermelon Feed	3,704
Postage	1,184
Telephone and Utilities	12,330
Rentals	4,708
Fair Entertainment and Other Show Expenses	22,436
Professional Fees	51,442
Repairs and Maintenance	4,811
Travel and Conventions	5,352
Meals	6,454
Insurance	19,750
Health insurance	1,662
Dues and Subscriptions	1,224
Miscellaneous	1,317
County Treasurer's Commission	3,463
Total expenses	<u>\$ 258,729</u>

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

SCHEDULE OF EXPENSES - CAPITAL PROJECTS
For the Year Ended November 30, 2005

	Street Fund
Professional Fees	\$ 1,453
Repairs and Maintenance	1,022
County Treasurer's Commission	<u>2,655</u>
Total expenses	<u>\$ 5,130</u>

LANCASTER COUNTY AGRICULTURAL SOCIETY
Lincoln, Nebraska

SCHEDULE OF EXPENSES - JOINT PUBLIC AGENCY
For the Year Ended November 30, 2005

	Street Fund
JPA Loan Administration Fee	\$ <u>12,619</u>

Micek & Crouch, P.C.

Certified Public Accountants

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Kurt L. Micek, C.P.A.
Janalee Crouch, C.P.A.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Lancaster County Agricultural Society
Lincoln, Nebraska

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund, of the Lancaster County Agricultural Society, as of and for the year ended November 30, 2005, which collectively comprise the Lancaster County Agricultural Society's basic financial statements and have issued our report thereon dated December 15, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit, we considered the Lancaster County Agricultural Society's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted certain matters involving the internal control structure and its operation that we have reported to the management of the Lancaster County Agricultural Society, in a separate letter dated December 15, 2005.

COMPLIANCE

As part of obtaining reasonable assurance about whether Lancaster County Agricultural Society's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information of the Board of Directors, management, and the State of Nebraska Auditor of Public Accounts, and is not intended to be and should not be used by anyone other than these specified parties.

Lincoln, Nebraska
December 15, 2005

Micek & Crouch, P.C.